5/001/0035

From:

<ep7@xmission.com>

To:

Emily Berry <emilyberry@utah.gov>, Tom Munson <TOMMUNSON@utah.gov>,

<jim...

Date: Subject: 10/07/2008 9:55 AM

Attachments:

Re: Silver 1-2 mine
Reply to DOGM Inspection Sliver 1-20001.pdf

CC:

<Ed Ginouves@BLM.gov>, "mbf@themcifffirm.com" <mbf@themcifffirm.com>, <e...

Attached is our reply to your inspection of the "Sliver 1-2 report", (which should actually be the Independence Patent reclamation report.) Please see letter.

Please add to the File. Thank you for your assistance.

Best Regards David Penney Penneys Gemstones LLC

PENNEY'S GEMSTONES LLC

100 Sept. 100 Se

ep7/2/amission.com

October 1, 2008

DOGM 1594 W N Temple Suite 1210, POB 145801 Salt Lake City, UT 84114-5801 Attn: Jim Allen/ Tom Munson

REPLY: Inspection Summary August 19th 2008 Independence Patent

Dear Gentleman,

I would like to clarify for the record that the land that was reclaimed was private property known as the Independence Patent owned by Mr Karl Truman. The Sliver #1 and #2 are the mining claims that I hold on BLM Land. Your inspection was on the reclamation of the Independence Patent.

I agreed to do the dirt work and still need to talk with Mr. Truman to get his verification if the dirtwork I did meets his approval.

The existing road should not need reclamation since it is an access for the public, myself to my mining claims and is the road to access the Forest Queen Patent.

Sincerely,

David L. Penney

Penney's Gemstones LLC

cc: Ed Ginouves (CCFO BLM)

Karl Truman Kay McIff Emily Berry

5/001/0035

Tom Munson - Re: Silver 1-2 mine

From: Tom Munson

To: ep7@xmission.com **Subject:** Re: Silver 1-2 mine

Dave, You still have Sliver 1-2 permit that is not bonded. Any reference to Sliver 1-2 is only related to the name of your permit S001/0035, not related to claim names. We will be sending you a letter shortly that will require a minimum bond to cover your remaining disturbance on BLM and private. You will have 30 days to place the minimum bond for the first acre naming both the Division and BLM or we will withdraw the permit and pursue enforcement action.

I would request you fill out a new Small Mine Application form and submit this to the Division since your existing permit from 1995 is inaccurate and not complete. We can not accept any revisions to this permit without corrections. By the way, you are welcome to change the name of your permit when you submit the new form. Any questions please contact me.

>>> <ep7@xmission.com> 10/7/2008 9:55 AM >>>

Attached is our reply to your inspection of the "Sliver 1-2 report", (which should actually be the Independence Patent reclamation report.) Please see letter.

Please add to the File. Thank you for your assistance.

Best Regards
David Penney
Penneys Gemstones LLC